

The minutes set forth are an unofficial copy of this month's board meeting minutes. For an official (signed) copy please contact the Authority.

IOWA FINANCE AUTHORITY BOARD MEETING MINUTES

**Hotel Fort Des Moines
August 4, 2004**

BOARD MEMBERS PRESENT

Vincent Lintz, Chair
Kay Anderson, Vice Chair
Carmela Brown, Treasurer

Steve Adams (via telephone)
Roger Caudron (via telephone)
Dick Wright

STAFF MEMBERS PRESENT

Michael Tramontina, Executive Director
Mary Bilstad, Affordable Assisted Living
Coordinator
Roger Brown, Director of HUD Programs,
Section 8 Contract Administration
Mickey Carlson – Single Family Program
Manager
Donna Davis, Deputy Director, Director of
Housing Programs
Monica Fischer, Public Information Officer
Alyson Fleming, Administrative Assistant
Glenda Gaumer, Senior Housing Compliance
Specialist
Mark Hutchison, Financial Officer

Craig Johnson, Financial Analyst/Underwriter
Karen Klinkefus, Financial Officer
Tim Morlan, Underwriter
Sharon Murphy, Housing Specialist HAF/HIRE
Joyce Newell, Financial Officer
Julie Noland, Director of Administrative Services
Lloyd Ogle, Director of Policy and Governmental
Affairs
Carla Pope, Service Enriched Housing Director
James Smith, General Counsel
Tim Waddell, Tax Credit Manager
Nancy Wallis, Administrative Assistant
Vicky Winter, Legal Secretary

OTHERS PRESENT

Kristi Boyce – Wells Fargo Bank Iowa, NA
Bob Burns – Burns & Burns, L.C.
Jim Conlin – Conlin Properties
Grant Dugdale – Attorney Generals Office
Scott Fitzpatrick – National Equity Fund
Darla Giese – Dorsey & Whitney Law Firm
Ralph Gross – Merrill Lynch
Donna Grgurich - IDED

Nicole Jones – State Treasurer's Office
Derek McGreal – UBS
Renie Neuberger – Iowa Equity Fund
Bruce Ray – HUD
Audrey Rivas - HUD
David VanSickel – Davis, Brown, Koehn
Shors Law Firm
Terry Vestal - IDED

CALL TO ORDER

Chair Lintz called to order the August 4, 2004 meeting of the Iowa Finance Authority (IFA) Board of Directors at 10:50 a.m. Roll call was taken and a quorum was established with the following members present: Lintz, Anderson, Brown, Adams, Caudron, and Wright.

REVIEW AND APPROVAL OF MINUTES

July 7, 2004 - Board Meeting

Chair Lintz introduced the minutes of the July 7, 2004 meeting of the Iowa Finance Authority Board of Directors.

MOTION: On a motion by Ms. Anderson and a second by Mr. Adams, the Board unanimously approved the minutes of the July 7, 2004 meeting.

ADMINISTRATION/MANAGEMENT REPORT

Summary & Overview

Mr. Tramontina referred to two resolutions before the Board recognizing the service of former Board member, Ms. Nancy Evans and Ms. Karla Martinez, who recently retired from HUD.

Resolution Re: Recognition of Ms. Karla Martinez

Mr. Tramontina introduced the resolution recognizing the service of Ms. Karla Martinez, who recently retired from HUD. He stated Ms. Martinez was instrumental in the creation of the HUD Section 8 Contract Administration program.

MOTION: Ms. Anderson made a motion to approve the Resolution Re: Ms. Karla Martinez. On a second by Mr. Caudron, the Board unanimously approved the Resolution.

Resolution Re: Ms. Nancy Evans

Mr. Tramontina introduced the resolution honoring Ms. Evans for her service on the Authority's Board of Directors. He stated a plaque had been created and will be sent to her in addition to the framed Resolution.

MOTION: Mr. Wright made a motion to approve the Resolution Re: Ms. Nancy Evans. On a second by Mr. Adams, the Board unanimously approved the Resolution.

Proposed FY 2005 Performance Plan

Mr. Tramontina referred to the handout included in the Board packets. He explained no action is requested from the Board at this meeting. Mr. Tramontina asked the Board to send any comments or suggestions directly to him.

A general discussion followed regarding the information contained in the Proposed FY 2005 Performance Plan.

LEGAL / REGULATORY

Notice of Intended Action Re: 265 IAC Chapter 3; Multifamily Housing

Mr. Smith introduced the Notice of Intended Action Re: 265 IAC Chapter 3; Multifamily Housing. He requested Ms. Davis, Mr. Johnson and Mr. Morlan to discuss the proposed changes.

Ms. Davis referred to the summary of changes which was sent via email to the members of the Board.

Mr. Morlan reported on the proposed changes made to Division one of the program.

Mr. Johnson report on the proposed changes made to Divisions two and three of the program.

Mr. Caudron commended the staff on their efforts to reach all segments of the market and inquired whether more funds might be available for the program through the issuance of bonds.

Mr. Tramontina responded in the affirmative.

MOTION: Mr. Adams made a motion to approve the Notice of Intended Action Re: 265 IAC Chapter 3; Multifamily Housing. On a second by Ms. Anderson, the Board unanimously approved the Notice of Intended Action Re: 265 IAC Chapter 3; Multifamily Housing.

FINANCE AND ACCOUNTING

In the absence of Mr. Bret Mills, Ms. Joyce Newell made the Finance and Accounting report to the Board.

Finance Update

Ms. Newell stated on an unadjusted basis the General Fund had year-to-date net income of \$1.2 million dollars. She said the General Fund when adjusted for fair market value had year-to-date net income of \$432,400.

Report on meeting with Standard and Poors

Mr. Tramontina stated that he, Ms. Davis, Mr. Smith, and Mr. Mills met with Standard and Poors in Chicago. He said a presentation was made which explained the operations of the Authority and the history of the Authority's financials. Mr. Tramontina stated a response from Standard and Poors is expected by mid-August.

Mr. Smith reported Mr. Derek McGreal of UBS is present and in town for the current Single Family Bond Issue. He thanked Mr. McGreal and Ms. Darla Giese of the Dorsey and Whitney Law Firm for their work on the issue.

Refunding of Underground Storage Tank Bond Issue

Mr. Tramontina asked Mr. David VanSickel of the Davis Brown Law Firm to speak to the Board on the proposed refunding of the state's underground storage tank bonds from 1994.

Mr. VanSickel stated the refunding in the amount of \$23 million is being pursued by the Treasurer's office and is expected to be ready for action by the Board at the September meeting.

COMMUNITY / ECONOMIC DEVELOPMENT /STATE REVOLVING FUND (SRF) PROGRAM

In the absence of Ms. Beary, Mr. Smith made the Community/Economic Development/State Revolving Fund (SRF) Program report to the Board.

Economic Development Loan Program

ED. Loan #04-05, Natural Pork Production II, LLP

Mr. Smith stated this is an application for \$2,000,000 in Iowa Finance Authority Solid Waste Facility Revenue Bonds for Natural Pork II, LLP. He said the borrower is located in Harlan, Iowa, and the project is located in Estherville. Mr. Smith stated the bond proceeds will be used for the acquisition and rehabilitation of the solid waste disposal component of a swine production facility. He said the project will require Private Activity Bond Cap.

RESOLUTION #04-05A

MOTION: Ms. Brown made a motion to approve the application for Iowa Finance Authority Solid Waste Facility Revenue Bonds (Natural Pork II, LLP Project) Series 2004 for Natural Pork II, LLP and evidencing the intent to proceed with the issuance of \$2,000,000 Solid Waste Facility Revenue Bonds. On a second by Mr. Caudron, the Board unanimously approved Resolution #04-05A.

State Revolving Fund Update

Mr. Tramontina reported recent discussions with the Department of Natural Resources (DNR) have resulted in work on a revised memo of understanding (MOU). He referred to the possible addition of one or two staff positions to assist with the program. Mr. Tramontina said a request for proposal (RFP) is currently in development for program software.

HOUSING PROGRAMS

Single Family

Single Family Status Delinquency, and Activity Reports

Ms. Donna Davis referred to the monthly activities report and charts included in the Board materials.

Multifamily

Multifamily Preservation

Ms. Davis referred to the written summary included in the Board materials.

Section 8 Contract Administration

Ms. Davis referred to the written summary included in the Board materials.

Grants

Resolution Re: FY05 Habitat for Humanity Mortgage Purchase Program

Ms. Davis introduced the Resolution Re: FY05 Habitat for Humanity Mortgage Purchase Program. She reported the program is a continuation of the housing assistance provided to Habitat for Humanity in the amount of \$250,000. Ms. Davis provided a detailed explanation of the Accelerated Asset Recovery Program (AARP) which has been very successful.

MOTION: Ms. Anderson made a motion to approve the Resolution RE: FY05 Habitat for Humanity Mortgage Purchase Program in the amount of \$250,000. On a second by Mr. Adams, the Board unanimously approved the Resolution Re: FY05 Habitat for Humanity Mortgage Purchase Program.

TITLE GUARANTY DIVISION (TGD)

Mr. Ogle referred to the charts included in the Board materials reflecting the monthly activity of the Division.

POLICY / LEGISLATION

Mr. Ogle stated he had no report at this time.

COMMUNICATIONS

Ms. Monica Fischer referred to the handouts included in the Board materials as well as the photograph distributed to the Board of the backdrop for the Governor's booth at the Iowa State Fair. She said Authority staff will assist the Governor's office staff with the booth located in the Varied Industries Building.

CLOSED SESSION

With the consent of the Board the closed session indicated on the agenda for the August meeting of the Iowa Finance Authority Board of Directors was not held.

MISCELLANEOUS ITEMS

Receive Comments from General Public

Chair Lintz opened the public comment period and asked if anyone in the audience would like to address the Board.

There being no one in the audience wishing to address the Board, Chair Lintz closed the public comment period.

Next Month

The next regular meeting will be held at 10:45 a.m. on September 8, 2004 in the Iowa Hospital Association Education Center located at 100 East Grand Avenue, 1st Floor, Des Moines.

ADJOURNMENT

There being no further business, on a motion by Mr. Caudron and a second by Ms. Anderson, the August meeting of the Iowa Finance Authority Board of Directors adjourned at 12:14 p.m.

Dated this 8th day of September, 2004.

Respectfully submitted:

Approved as to form:

Michael L. Tramontina
Executive Director
Iowa Finance Authority

Kay Anderson, Vice Chair
Iowa Finance Authority